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# AGRICULTURAL MARKETING



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# AGRICULTURAL MARKETING

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## Cover page

USDA's Consumer and Marketing Service helps some 40 million people, young and old, share in America's food abundance — through programs that (1) provide direct food donations to needy families, charitable institutions and schools, (2) give food stamp coupons to low-income families for added food buying power, (3) pay part of the cost of lunches in school and of milk consumed by children in schools and child-care institutions. See pages 14, 15, 16.

ORVILLE L. FREEMAN  
*Secretary of Agriculture*

S. R. SMITH, Administrator  
*Consumer and Marketing Service*

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# The Art of Buying Meat

*You can stretch your dollar by buying meat by U.S. grade names. For instance, a lower grade cut can make just as nutritious a pot roast as a Choice grade.*



C&MS Marketing Specialist Kay Nawn demonstrates the buying of beef by cut and grade to audiences across the country, passing along tips on how to stretch meat dollars. She recently participated in a Baltimore Urban League program designed to aid low-income families, helping to train the League's field workers who will show housewives how to buy and prepare meat.

Knowing the correct way to buy meat is important for any group of consumers, but most of all for low-income groups. They cannot afford—either economically or nutritionally—to neglect such an important part of their diets and budgets.

Because of this, Catherine (Kay) Nawn, marketing specialist with the Livestock Division of the U.S. Department of Agriculture's Consumer and Marketing Service, took part in the training of six field representatives of the Baltimore Urban League's Consumer Protection Program.

In a slide talk entitled "When It's Your Turn At the Meat Counter," she demonstrated the buying of beef by cut and grade. The demonstration gave helpful tips on stretching meat dollars by using U.S. grade names—the guidelines to quality—as a basis for selecting meat.

Miss Nawn stressed the fact that purpose, quality, and price go hand in hand. Beef is chosen for cut and purpose as well as by grade. For instance, if a pot roast is planned, there is no need to

buy a top grade cut. A lower grade chuck roast, say "U.S. Good", properly prepared can be tender, flavorful and just as nutritious as a Choice grade one and it will be less expensive, too.

She also pointed out that while Prime and Choice grades are fine for steaks or special-occasion meals, they are economically out of reach of most low-income families. The lower grades of beef are less expensive; and when prepared properly they can be tender and juicy. She mentioned use of the lower grades—U.S. Good, Standard, and Commercial—for use in stewing, in ground meat dishes and other casserole meals.

Miss Nawn, who has taken part in consumer education programs throughout the country, included points of special interest for the field representatives in the program. She mentioned several low-cost meat dishes which the field representatives could pass on to the low-income families with whom they will work. In addition the field representatives learned how to prepare the less expensive cuts so they will be tender

and flavorful.

Miss Nawn reminded the group not to forget meat "specials" or the weekly bargains found at many stores. Most stores will advertise a particular type of meat—pork, beef, or chicken—or certain cuts such as chuck roasts at a lower price as a drawing card for customers. Consumers, she said, should be made aware of the money they can save by taking advantage of these specials.

A prime example of lack of knowledge about meat buying is summed up in a story Miss Nawn told the group. A housewife entered a market in a low-income neighborhood wearing an old worn coat so tattered it had to be held together by safety pins. She passed up the special on chuck roasts which the store was featuring that week and instead bought several frozen dinners. Miss Nawn pointed out that the roast could have been turned into a nourishing beef stew which would have fed more persons for less money than the frozen dinners. It will be with such consumers, she said, that the field assistants will be working.

Miss Nawn, who took part in the program at the League's request, also accompanied the group on a tour of several local markets in the area. The field assistants tested their skill at selecting beef.

The Consumer Protection Program is part of a larger five-year program sponsored by the Baltimore Urban League which is designed to aid low-income families. As a part of their duties, the field assistants with whom Miss Nawn worked will instruct housewives on how to buy and prepare meat.

The six field assistants will work in community centers within a hundred-block "Action Area" the League has chosen for its program. All six of the trainees are residents of the areas in which they will be working. Besides helping housewives in meat buying and general home economy problems, they will help residents with other parts of Baltimore's Anti-Poverty Program as well.

The Urban League is receiving part of the funds for its program from the Office for Economic Opportunity.

# When Floods Hit The Meat Packing Industry . . .

*Meat inspectors have a massive job of reinspectng meat for wholesomeness, of resanitizing plants, and decontaminating or destroying all items having contacted the meat—to protect you.*

By Dr. Robert A. Moody



*This canning plant was inundated by 11 feet of water on the first floor. It took seven weeks of cleaning and relabeling of cans before production resumed.*

With each passing hour, time becomes more critical in the clean-up operations following a major flood. Just as power and sewer lines must be rebuilt, roads reconstructed, and water supplies tested for purity, local food supply lines must be rapidly reopened to feed the hungry and homeless.

And when it comes to perishable foods such as meat, the pressure of time is intensified, for each piece of meat must be reinspected for wholesomeness, all buildings and equipment resanitized, and all items which come in contact with the meat must be purged of contamination or destroyed.

The approach of winter signals the time when those in potential flood areas should plan ahead in the event such a monumental task becomes a reality. What must be done should a flood strike here?

For those in the Denver, Colo., area, the floods of last June provided unwanted experience. Fed by torrential rains, the South Platte River hit Denver with a 20-30 foot wall of water, stretching a half-mile wide in places. House trailers, logs, large metal storage tanks, and automobiles were caught up in the churning chaos and destruction.

Twenty-four meat packing and processing plants—the bulk of the meat industry in Denver—were victims of the flood in varying degrees. Many of them, filled with neatly stored meat and meat

products, were suddenly filled with muddy, swirling, contaminating flood water.

The flooding waters knocked out the power and telephone lines, and plugged the sewers. The large Denver sewage treatment plant, located in the center of the packing district, was inundated and its contents became a part of the 6-18 inches of silt left in the area after the water subsided.

Although Denver's water supply remained drinkable, the flooding river surged into private wells at some plants, bringing with it further contamination.

Since these 24 plants operated in normal times under Federal meat inspection, the task of supervising clean-up operations and checking meat products and supplies for wholesomeness fell upon the shoulders of locally assigned meat inspectors of the U.S. Department of Agriculture's Consumer and Marketing Service.

No time was wasted; the inspectors were among the first of the local population to be vaccinated against typhoid fever. The day after the flood, these meat inspectors were given a comprehensive refresher course on flood salvage operations. Meat inspection supervisors contacted plant managers to explain inspection requirements and coordinate salvage operations.

The job ahead was quickly apparent—prevent any unauthorized salvage ef-



forts; remove all silt and debris; thoroughly clean and disinfect all buildings and equipment; reinspect all meat, meat products, and articles used in processing, and destroy everything which conceivably could contaminate food when production resumed.

With refrigeration inoperative, the immediate removal of non-contaminated products from many plants was paramount. The plants were surrounded with silt. Outside sewage lines were plugged, and most of the meat dressing rooms were in flooded basements. Chlorine foot baths were installed at the entrance to non-contaminated areas to prevent tracking filth from contaminated to clean areas.

The C&MS meat inspectors, aided by plant employees, worked day and night deciding what could be salvaged, what had to be destroyed, and if the degree of cleaning and disinfecting was sufficient to render the plants fit for production. This could proceed only as fast as the city of Denver and the power companies restored essential services.

The cleaning and disinfecting of canned meat products in one plant was a substantial operation. Two weeks elapsed before the debris, silt, and obvious contamination could be cleared, and power and steam restored. Mechanical equipment was installed to clean and remove the labels, remove surface rust, and disinfect and coat the cans.

Close supervision over the rust removal was essential, for pinpoint rust penetration of the metal was a major problem. Even so, complete reinspection of the salvaged cans after a few days storage was necessary before any shipments were made. This salvage operation proceeded on a 24-hour-a-day basis for three weeks.

In other plants, the removal of silt and preliminary washing was permitted on an around-the-clock basis without inspectors' direct supervision. Outside areas, such as access roadways and livestock pens, had to be thoroughly cleaned, however, before any operations were permitted. The final hot water and detergent washing and disinfecting of plant areas was under the direct supervision of inspectors.

The insulation in some cooler walls was soaked, causing leakage of contaminated water over adjacent floor areas. Metal clad doors, wooden doors, and hollow tile walls were likewise contaminated. Removal of door plates and door jambs was often necessary to insure thorough cleaning. Some rooms with hollow tile walls were not permitted to be used until fans could be turned on and the walls dried out.

When feasible and justified, sealing of contaminated basement areas was permitted so that operations on other floors could be resumed. This was done with the understanding that sealed areas would be cleaned as soon as possible, although in some cases major repairs were necessary, such as the replacement of collapsed insulation.

Naturally, these inspectors were under considerable pressure. They had to be judge and jury, and make decisions for which they had little precedent.

They were as anxious as the plant owners to return to business-as-usual in the shortest possible time, but not by jeopardizing the health of those they were legally charged to protect. Nothing contaminated which could even remotely contribute to the marketing of unwholesome meat could be passed over.

The final countdown showed nearly 1,670,000 pounds of meat condemned, along with millions of articles of meat processing supplies. The articles ranged from desks to floor mats, spices and flavoring to plastic sheets and paper towels, barrels and strapping wire to fiberboard cartons and string, from carcass tags to miscellaneous boxes and labels—over 50 different kinds of articles in all.

Sanitary-fill dumps were provided by the city of Denver in which to bury the condemned material. These dumps were under the constant supervision of Colorado health authorities and the National Guard to prevent any contaminated article from being carried off and

returned to trade channels.

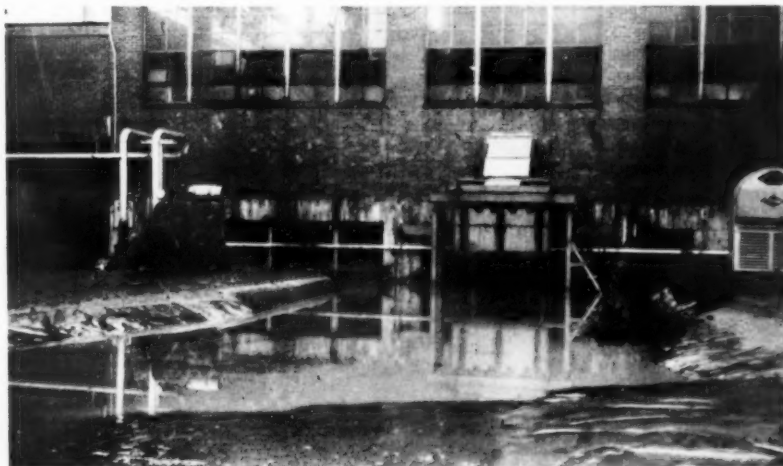
All was not lost by the local meat industry, however. On the positive side, prompt action saved at least 1,230,750 pounds of carcass beef, 61,350 pounds of lamb, 34,700 cases of canned meat products, 16,200 pounds of beef offal, 4,200 pounds of breaded steaks, 750 pounds of shortening, 95 gallons of buttermilk, 240,000 carcass tags, 15,000 weight sheets, and 2,000 Kosher seals. Each of these articles, like the condemned articles, had to be examined and cleared for use.

Through diligence, efficiency, and the tireless endeavors of both the plant management and the C&MS inspectors, several plants were operating at least on a limited basis within a week. Most of the plants were back in production by the end of three weeks. The speed and dispatch with which these plants were returned to normal operations is a credit to all who participated in the clean-up.

The Federal meat inspection program is one of several consumer services provided by USDA's Consumer and Marketing Service. Even when disaster strikes, such as the floods which hit Colorado, locally assigned inspectors are on the job to insure the public that its supply of meat is wholesome, is produced under sanitary conditions, and is truthfully labeled.

*(The author is Veterinarian-In-Charge at the Denver, Colo., station for the Meat Inspection Division, C&MS, USDA.)*

*A heavy concentration of silt was deposited outside this plant, one of 24 meat packing and processing firms in Denver which fell victim to the flood in varying degrees.*



*A special committee appointed to safeguard the cotton standards poses with the 1963 first reserve set of standards at a Memphis bank vault before removing the set to the Universal Cotton Standards Conference.*



Representatives from 14 leading European and Asian cotton associations and from the U.S. cotton industry participated in the 14th Universal Cotton Standards Conference at Memphis, Tennessee, last summer. The U.S. Department of Agriculture has joined with these overseas associations in a Universal Cotton Standards agreement to promote marketing of domestic upland cotton abroad. Members have agreed to adopt and observe the Universal Cotton Standards. USDA's Consumer and Marketing Service prepares and distributes boxes of the standards to the members and to others who want them. Conferences are held every three years to approve fresh sets of standards and to consider any needed revisions.

## Universal Cotton Standards Conference



*Above, about 300 cotton industry men from around the world attended the conference at Memphis. Below, cotton men from the U.S. and a delegate from India look on as a cotton sample in one of the standards is adjusted by a C&MS Cotton Division official.*



*Above, U.S. cotton shippers and exchange representatives listen intently as J. H. Melancon, Chief of the Grading Branch, Cotton Division, explains one of the standards. Below, representatives of U.S. cotton manufacturers examine boxes of standards.*



# Better Market News For Brazil



*A C&MS specialist in an advisory capacity in Brazil reports on prospects there for daily agricultural market news covering major production areas.*

Prospects appear good for establishing an effective daily agricultural market news network in major production areas of Brazil. That's the report from Lance Hooks of the U.S. Department of Agriculture's Consumer and Marketing Service. Hooks is now serving under an agreement between USDA and the Agency for International Development in an advisory capacity to the Brazilian Ministry of Agriculture.

A nationwide market news network for farm products has operated successfully in the United States for 50 years. Such a network would help Brazilian farmers decide where and when to market their produce. It would help to route fresh food more quickly and more efficiently to the fast-growing populations in the metropolitan areas where it is needed, minimizing gluts and shortages. Daily information on supplies, demand, and wholesale and retail prices being paid at various local, regional and national market centers would help assure steady supplies at fair prices for producers, processors, handlers and consumers, experts believe.

Brazilian state and federal agricultural

officials recently decided to set up a teletype circuit to transmit the market news reports daily among the cities of Sao Paulo, Rio de Janeiro and Belo Horizonte. Market news would be exchanged not only for these cities, but also for smaller cities in each area. The news would probably be disseminated quickly to farmers and other interested parties principally by radio, as is the practice in the U.S. Commodities to be covered are fruits, vegetables, rice, beans, poultry and eggs. Sample reports have already been prepared and approved, and reporting techniques are being refined.

Under study now are recommendations for regional market news systems for the Recife area in the northeastern bulge of Brazil, and for livestock market prices in Pernambuco.

Market news in Brazil up to now has been mostly composed of weekly collections of retail prices in major cities, and monthly reports of prices paid to farmers. The new program involves close cooperation with federal and with various state governmental agricultural officials in Brazil.

The AID/USDA market news project resulted from recommendations made by a USDA survey team sent to Brazil late in 1963. Since then market news has been collected on a pilot basis in the three cities mentioned. Directing this work in Belo Horizonte is Roy Bodin, formerly a State agricultural statistician in North Dakota.

Mr. Hooks is one of 17 USDA technical specialists working under the leadership of Dr. Ford M. Milam in Brazil under a special AID/USDA agreement. Several USDA specialists are assisting on marketing facilities projects, including wholesale food centers. New wholesale food centers are being built at Belo Horizonte, Sao Paulo and Recife. Other AID rural development projects include minimum prices to producers, production stabilization, farm credit, livestock marketing, and establishment and strengthening of farmer cooperatives.

This marketing project is one example of numerous inter-governmental cooperative efforts now in progress around the world. These programs are now being spotlighted by a worldwide observance of 1965 as International Cooperation Year. ICY seeks to call attention to and to encourage more such efforts to improve living conditions around the world by sharing "know how."

Mr. Hooks was also on a special task force appointed by the Minister of Agriculture to develop a long-range program for economic and marketing research and policies, and a reorganization plan for the Ministry of Agriculture. He works closely with the chief of the economics department of the Brazilian Ministry of Agriculture, Dr. Victor Pellegrini, and has his office and facilities there. A special week-long conference was held in mid-July on agriculture and rural development with officials and specialists from USDA, AID and other bodies discussing how obstacles to agricultural progress there can be overcome.



*C&MS Market News Specialist (3rd from left) and other USDA members of the advisory group, including its Chief, Dr. Ford M. Milam, (center) hold first staff meeting.*

Varieties are the basis of modern crop production. Everybody knows that some corn is yellow and some is white; some beans grow on a bush and others on a climbing vine. Variety names tell you which is which. Since the difference between growing one variety and growing another may be the difference between a profit and a loss, you need to be sure you're getting the variety you ask for.

One function of the U.S. Department of Agriculture's Consumer and Marketing Service is to provide the farmer with as much advance knowledge of his crop as possible—this starts with the seed. The farmer knows which variety he wants—he knows which one is tasty, which one appeals to the consumer, which one will sell. He chooses by variety to make sure he gets exactly what he wants. That's why it's so important that the seed be labeled correctly. The Seed Branch under C&MS's Grain Division has the responsibility of making sure all field and vegetable seed in interstate commerce is labeled to indicate the correct variety name.

Variety names are used instead of a complete description of the variety. They serve as a code of sorts, indicating a number of characteristics associated with that plant. Charleston Gray, for example, is a variety of watermelon. "Charleston Gray" is a code term representing the characteristics of that variety of watermelon—a large, 25-to 50-pound, pale green, oblong melon, resistant to certain diseases and a good ship-

per. The variety name is the way the buyer asks for these characteristics. According to the regulations of the Federal Seed Act, "The variety name shall represent a subdivision of a kind, which is characterized by growth, plant, fruit, seed or other characters by which it can be differentiated from other sorts of the same kind."

It's no easy job to identify these varieties. A seed technologist uses a number of procedures in order to match his findings with known "keys." A great deal can be learned from the seed itself. Investigating a sample of bean seed, the analyst asks: Are the seeds light or dark? Are they mottled, streaked, or speckled? What is the "eye" of the bean like? What is its coloring? White? Tan? Brown? Red? Purple? Black? How many are there to an ounce? What is its shape? What is its size? How long? How wide?

The answers to these questions are compared with a seed key which may indicate the variety. An added source of information is the seed herbarium. This is a virtual wardrobe of seeds all catalogued in small containers under their correct kind and variety names.

In many cases, however, a variety cannot be determined by examining the seed alone. The next step is to grow the seed in order to study the plant. Sorghum seed, for instance, after ten days in the germinator under intense light, forms seedlings which the technologist can analyze to help in determining the variety. After the ten-day period, the stem

## Be Sure Of

By Bernard Leese

*C&MS seed analysts go to great lengths to protect your right to know what you're buying and to get what you order. Here's a rundown on how they detect variety.*





# Seed Varieties

Seed technologist Bernard Leese, below, identifies varieties of garden beans by comparing the leaf color to a chart containing color and light standards.

Seed technologist Eltora Schroeder holds a vacuum seed counter used in counting seeds for a germination test. These wheat seeds are placed on a moist blotter. Another moist blotter is placed over them and inserted into the germinator. In a short time the seeds produce seedlings which may be separated into variety groups according to the coleoptile's color.



color is apparent; he can judge its growth rate; its vigor can be compared with other known varieties; the primary leaf can be studied along with the root characteristics. Each of these "clues" help place the plant in its proper group, then by checking the keys, the variety may be determined.

Often the seed is planted in the field to see how it reacts under actual growing conditions. The blooming date is a good indicator of the variety. The Tendergreen variety of bean, for example, usually blooms after 46 days whereas the Abunda variety requires only 35 days. The color of the midrib of sorghums—whether it's white, yellow, or deep yellow,—gives an indication of the variety. Also the erectness of the pedicles of the sorghum is a good indicator—are they erect or do they form a "V"? Stigma color, glume color, hairiness of the glume, seed color of the mature plant, leaf width, whether the endosperm is starchy or not—all of these are things the seed technologist looks for when identifying sorghum varieties.

Sometimes it may be impractical to plant seeds in the field. There may not be enough time or it may be difficult to duplicate the correct climate. In such cases the growth chamber may be used because it enables the analyst to control the environment to any season simply by varying the temperature, humidity, and light intensity inside the chamber. Also, the growth chamber removes other variables common in the field such as shading and differences in soil. The big advantage, however, is that by controlling the light, the analyst can shorten the time needed for an accurate identification. Muskmelon, cucumbers, soybeans, alfalfa, garden beans, oats, and

wheat mature in about 35 days in the growth chamber and sometimes even less by manipulating the length and intensity of the lighting. Also, the plants in the chamber can be observed every day, whereas in the field they would be visited less frequently.

Another procedure which is sometimes used to verify findings of the field planting and growth chamber studies on wheat and kentucky bluegrass is the phenol test. In the test, seeds are placed on filter paper which has been moistened with a phenol solution. The phenol is oxidized by the enzymes present in the seed coat, creating dark-colored insoluble pigments. The amounts and kinds of these enzymes in the seed cause varying degrees of coloration. A good indication of the variety can then be determined by comparing the coloring with that of other known varieties that have undergone the same treatment. Ivory colored wheat seeds would indicate the Mindum and Ramsey varieties; if the color is fawn, the variety is likely to be Gasser or Elmar; light brown would indicate Triumph and Pennell; brown, Crockett, Anderson, and Knox 62; and brown-black would be Wichita and Wakeland varieties.

Another lab examination for variety determination is the fluorescence test. Some "white" and "yellow" oat varieties, for example, can be separated through the use of an ultraviolet lamp, which causes radiation of light, called fluorescence. White oats have a light-blue fluorescence, whereas yellow oats fluoresce dark bronze. Some other oat varieties don't fluoresce at all. These differences can be observed even after the seed has become so discolored through weathering that it is difficult to

determine its natural color under ordinary light.

The ultraviolet light may also be used to differentiate between the roots of annual and perennial ryegrass. Under the light the roots of the annual seedlings fluoresce bluish-green, while the perennial seedlings don't fluoresce at all.

Measuring the resistance of seedlings to disease is another test for detecting varietal admixtures in wheat and oats. Seedlings inoculated with a specific race of rust are observed to determine whether they show the resistant or susceptible type of reaction to the race involved. A susceptible reaction in a seedling which is supposedly a resistant variety is evidence that there is varietal admixture.

Techniques employing this same principle can be used to determine wilt resistance in alfalfa seedlings, yellows resistance in cabbage seedlings, mildew and root rot resistance in soybean seedlings, and resistance to other diseases in various varieties.

Obviously, seed officials of C&MS go to great lengths to make sure that the buyer's right to know what he is buying and to receive what he orders is not violated. The Federal Seed Act is designed to help the consumer by requiring truthful labeling and advertising of all agricultural and vegetable seed crossing State boundaries. Therefore, the advice to seed buyers is: Know what variety you want and make sure you get it by checking the label on the seed container.

*(The author heads the Testing Section, Seed Branch, of C&MS's Grain Division.)*

# A Direct Slaughter Report for Iowa

*Serves cattlemen selling more and more to slaughter houses that have moved closer to the cattle.*

Iowa cattlemen will have an extra "hand" this year to help them market their slaughter cattle. The hand won't be able to ride or rope but the farmers will find the assistance very valuable indeed—in the market place.

The new hand is a new livestock market news report on the market conditions for slaughter cattle—a report the cattlemen have wanted for some time. Now they have it as the Des Moines Market News office has altered its activities to meet their needs.

The new report is designed to fill an information vacuum created by gradual shifts in the area's livestock market over the years and to provide greater market coverage for the rising direct market for slaughter cattle.

The Western States have always had the report. Some Midwest areas have adopted it in recent years. Phoenix and Omaha, for example, report direct slaughter cattle sales. The report was initiated in Springfield, Ill., about 3 years ago and in San Antonio about 6 months ago.

For years the Iowa cattlefeeders have sold most of their stock through the large terminal markets in Chicago, Omaha or Sioux City. Twenty years ago, however, a trend was beginning in the

cattle industry which is today showing its effects on the Iowa market. It started when someone decided that since it cost less to ship cattle carcasses than it did to ship cattle on the hoof, and since labor and operating costs were lower in the producing areas, it would be more economical to move the slaughter houses closer to the cattle. This trend—common today—has been called decentralization.

In the past 5 to 10 years slaughter houses have been cropping up throughout Iowa. Today, there are more than 25 cattle slaughterers within the Iowa-southern Minnesota area, and the cattlemen are selling to these markets to the tune of 55,000 to 60,000 head a week. As a comparison, in the Omaha area there are 26 federally inspected slaughter plants and 14 in Denver.

As a result of this increase in direct sales to the slaughter houses, cattlemen and packers needed a new kind of market news report. Therefore, the U.S. Department of Agriculture's Consumer and Marketing Service, working with the Des Moines office, introduced such a report covering the direct slaughter sales. It provides producers, feeders, and packers with information they need in making their vital marketing deci-

sions. This information, together with other reports from various terminal and direct marketing centers issued by the Market News Branch of C&MS's Livestock Division, offers the farmer a complete marketing picture. Using up-to-date market news, the farmer can evaluate his individual situation and decide when and where to market his livestock.

The Des Moines office was the first Federal livestock market news office established to report direct sales information on livestock—that was on hogs. For many years it has reported direct sales of hogs and sheep in both daily and weekly reports. The office collects information and issues the reports which cover the sales and market conditions over the entire Iowa and southern Minnesota area. In addition to these, a weekly round-up of the Nation's livestock market news is issued from Washington, D.C., through the Des Moines office.

Market reporters telephone cattle buyers and sellers regularly to collect the information for the new report. In addition, they travel throughout the market area to view livestock, check buying methods and verify the accuracy of the information used in their reports.

Direct cattle sales reports are issued every Friday from the market news office. They include the number of cattle sold, the price trends, weights, grades, and prices for the slaughter steers, heifers, and cows. Official USDA grades and terminology are used to enable producers to compare prices and market conditions on a nationwide basis.

The Des Moines market reports covering hogs, sheep, and cattle are sent out to radio and television stations, newspapers; they are mailed directly to individual farmers who request them, and released over USDA's 20,000-mile leased teletypewriter circuit.

Comprehensive market information plays a big part in Iowa cattle round-ups and sales. Up-to-date information is essential in today's system of marketing farm products. It gives the cattlemen a daily rundown on the markets, indicating trends which they can use as a guide to plan when and where to send their stock. The information must be rapid, timely, and accurate—for only then is it truly an effective "hand" for the farmer.



*A C&MS livestock market news reporter broadcasts the latest market prices and developments to users direct from the stockyards through remote radio facilities.*

# Presenting Your Case Under PACA

*Here's how to file your formal complaint. But first be ready to prove you had a contract, that you complied with it, that the other person did not, and that you sustained damages as a result.*

By Michael D. Price

Just as a football game has rules that all the players must heed—or be penalized—the business of buying and selling fruits and vegetables has a set of ground rules for fair business dealings.

Basically, these rules—contained in the Perishable Agricultural Commodities Act—require living up to contracts, paying bills promptly, keeping adequate records, and avoiding misbranding of produce.

PACA is a Federal statute—industry-sponsored, industry-financed, and administered by the U.S. Department of Agriculture's Consumer and Marketing Service.

The biggest job of PACA officials is that of enforcing produce contracts. During fiscal 1965, they handled some 3,000 complaints involving disputes between buyers and sellers. Most were informal ones, and settlements—totaling \$2.6 million—were worked out on “friendly terms.”

Occasionally, though, where settlements can't be made on this basis, PACA offers a procedure for filing formal complaints. During fiscal 1965, about one-tenth of those cases handled—involving about \$700,000—were settled by USDA in this way.

How do you file a formal complaint? The procedure is spelled out in detail in the *Rules of Practice Under PACA*. And you can get assistance from PACA officials.

Before they'll let you file a formal complaint though, they want to make sure you have a good “cause of action.” This consists of four essentials: That there was a contract, that you complied with it, that the other person didn't, and that you sustained damages as a result.

In the formal complaint, you state the facts you rely on in saying USDA should order the other party to pay you the amount of money you claim he owes you. PACA officials will furnish you a

form with instructions for preparing your formal complaint.

After the complaint is served and an answer filed by the person whom you say broke the contract, each of you is given a chance to submit evidence to prove your claim.

It's important to do some thinking about the kind of evidence you're going to offer. You have to convince USDA that the facts are as you say.

If you're trying to prove terms of a contract, you'll need concrete, visual evidence. A telephone conversation is hard to prove months afterwards, unless you have a record of what was said. The best evidence is a written confirmation of the call sent to the other person or, better still, a written contract.

If the answer the other person files contends there was no contract or that it was different from what you say it was—or if he simply doesn't answer the complaint—then the case is handled by USDA under one of two ways.

## *Shortened Procedure*

If the amount involved is less than \$1500, it will be handled under a *shortened procedure*—with each party submitting evidence in writing.

Let's say you have a formal complaint against someone, and it has been served and answered by the respondent. You'll get a letter from USDA telling you that you have 20 days to file an *opening statement*. In this, you state the evidence you have to support your position. It's a good idea to begin by taking stock of the situation and seeing what you need to prove. Your formal complaint stated simply that a contract was made, and gave its terms. But in your opening statement, you can explain all the circumstances. Compare the other person's answer with your complaint.

Those points he disputes are the ones you need to prove.

## *Oral Hearing*

When the amount involved is more than \$1500, either party can request an *oral hearing* for presenting evidence. This is handled somewhat like a court proceeding and is presided over by a USDA hearing officer. You may have witnesses—such as a broker—to help you prove your case.

If you're having someone testify to support your complaint, get someone who knows the facts! It doesn't add much to your presentation to say: “I'm honest. I have a good credit rating. I've been in business for many years. But the other guy's a crook.” . . . Or to say: “You can verify what I say by contacting Mr. Brown.” If you want Mr. Brown's testimony in the record, get him to come to the hearing.

At the end of the proceeding, USDA's Judicial Officer makes the legal determination of your rights or responsibilities. If evidence supports your claim, he'll issue an order calling for payment of a reparation award. If the person it's directed to fails to pay or appeal the order, his PACA license is suspended. And that puts him out of business until he satisfies the order.

In a formal case, you may or may not want to utilize an attorney's services, depending on the complexity of your complaint. The important thing to remember is this: Make sure that what you say in your complaint is correct—backed up by all essential facts and evidence that may support your case.

*(The author is on the staff of the Regulatory Branch, Fruit and Vegetable Division, C&MS. A previous article (September Agricultural Marketing) covered aspects of informal complaints made under PACA.)*



# CONSUMER AND MARKETING BRIEFS

## SCHOOL LUNCHES HELP CUT TRUANCY

A judge in a large Midwestern city says free lunches have helped cut truancy in some of his city's schools.

"Hunger and the other basic needs must be alleviated before many of the other programs of the war on poverty can succeed." He said the 12 schools in his city which needed free lunches the most experienced a 6-percent decrease in truancy after the (school lunch) program was expanded.

## C&M'S LIVESTOCK DIVISION HAS RECORD NUMBER OF TRAINEES

The Livestock Division of the U.S. Department of Agriculture's Consumer and Marketing Service reported a record number of Livestock Division trainees during the past fiscal year. Enrolled under the training program were 30 men—the largest number of trainees in a single year since the program began in 1954. The trainees undergo a rigid system of selection, training, and supervision before being promoted to positions in the grading, market reporting or standardization programs of the Division.

## USDA FOOD DONATED TO 4½ MILLION FAMILIES IN JULY

The U.S. Department of Agriculture's Consumer and Marketing Service reports that participation in the *Family Distribution Program* declined to 4,572,000 persons in July. This was a drop of some 170,000 from June and represented the fifth consecutive monthly decrease from the peak of 5.8 million reached last February. Most of the

losses, reported from 41 States, were seasonal in nature although transfers to the Food Stamp Program accounted for some.

Six States, Puerto Rico and the Virgin Islands reported increases in participation. The largest gain was in Pennsylvania where a greatly increased participation in Philadelphia resulted in a net increase of 27,446 for the State. Illinois reported an increase of 5,684 because seven new counties entered the program.

## FOOD STAMP PROGRAM SLATED FOR 75 MORE COUNTIES

The Food Stamp Program is being extended to another 74 counties in 24 States. In making the announcement September 4, 1965, President Johnson said that when the new programs are in operation, including projects previously announced but not open by September 4, low-income families in parts of 39 States and the District of Columbia will be able to use food coupons to buy more and better food.

"Our goal," he said, "is to extend the benefits of this important food program to a million people by June 30, 1966."

The U.S. Department of Agriculture later announced the addition of Los Angeles County, Calif. to the other 74.

The new counties are expected to begin operations over the next few months. As of September 30, 1965, the program was functioning in 118 counties and cities in 31 States and the District of Columbia, serving some 650,000 persons. The program is administered by USDA's Consumer and Marketing Service.

## FOOD STAMPS HELPED THIS GROCER

The Food Stamp Program is benefiting grocers as well as recipients. A food stamp officer-in-charge in Cleveland reports the case of a store there which is now carrying a much broader stock of items than it used to, because of additional food stamp business.

## MORE ABOUT HURRICANE BETSY

Hurricane Betsy's destructive sojourn in Louisiana overshadowed the sweep she made across Florida on her way to Louisiana. But Florida felt her presence.

Among other blows, she struck Key Largo and about 100 people there ran out of food. But not for long. Within hours after the distress call came through, 3,000 pounds of food, from a State welfare warehouse in Miami, were on the way to Key Largo in State trucks, the food being made available by the U.S. Department of Agriculture's Consumer and Marketing Service. In Key Largo, the food was turned over to local charity organizations for distribution to Betsy's victims.

The final countdown in Louisiana shows that nearly 5 million pounds of USDA food were used in 105 emergency shelters to prepare 820,452 meals to feed 318,526 victims of Betsy. Some 4,668,470 pounds of the food had to be brought into the stricken areas from many parts of the U.S.—and then quickly and effectively distributed under extremely difficult conditions.

State and local officials played key roles in accomplishing this gigantic task in Louisiana and the lesser, but nonetheless vital, job in Florida.

## APPLE INFORMATION FOR THE ASKING

Apple growers and other operators of storage facilities who want to know, with little reading, what recent studies have to say about harvesting, storing, pre-cooling, and ripening, and controlled atmospheres for apples will find the "meat" of nearly 300 publications neatly summarized in a recently prepared U.S. Department of Agriculture digest.

An even larger number of reports, useful to growers, scientists and others who need background information on maturity, market diseases, transportation, film liners, and shipping containers are



reviewed in the digest by scientists in USDA's Agricultural Research Service. Studies on wholesaling and retailing practices that affect the quality of the fruit are also included.

All told, more than 1,000 apple-quality publications are reviewed under topic headings covering movement of the fruit from harvest to the consumer's shopping bag. In addition to the summaries, the digest contains a useful list of the literature reviewed for those who want more detailed information.

Recent research results are emphasized—mainly the developments reported between 1945 and 1963. However, a few earlier studies are mentioned. Reports published by State and other organizations both in the United States and abroad are included with those from USDA sources.

For free copies of "A Review of Literature on Harvesting, Handling, Storage, and Transportation of Apples," ARS-51:4, send requests on a post card to Horticultural Crops Research Branch, Market Quality Research Division, ARS, USDA, Beltsville, Md., 20705.

#### **PLENTIFUL FOODS FOR NOVEMBER SHOPPERS**

November food consumers won't have any trouble finding a wealth of plentiful foods for their festive Thanksgiving dinners. For the third consecutive year turkey production has been expanding, therefore they've again gobbled their way to the top of C&MS's Plentiful Foods List for November.

Other foods in plentiful supply for November's cold and windy days are apples, from a crop estimated at more than 133 million bushels—second largest since 1949—potatoes, onions, cabbage and prunes. Split peas have earned a place on the plentiful foods list for November, along with rice, from the largest crop ever produced in this country.

Frozen concentrated orange juice is still in abundant supply, with stocks about 20 million gallons above a year earlier. And in some areas, sweet potatoes will also be in plentiful supply.

## **MEAT TIPS**

**—From meat inspectors of USDA's  
Consumer and Marketing Service**

When you see the term "all beef" used to describe federally inspected frankfurters, you can be sure that only beef is used. In fact, the Federal meat inspectors do not even permit scraps of cut-off beef fat or other beef by-products to be used in frankfurters labeled as "all beef" when they are produced under Federal inspection.

Food handling equipment made from fiber glass is acceptable only when the glass fibers are matted or in woven form, and covered by a plastic coating not less than one-fourth inch in thickness. This is to prevent exposure of the meat to the fiber-glass through abrasion or wear of the equipment.

The purple ink used to make the circular USDA inspection mark on carcasses and fresh cuts of meat is made from harmless vegetable dye. While no specific ink formula is required to be used, USDA does require that all components of such inks must be safe for human consumption. The suitability of inks is determined in advance of use by USDA laboratory examination.

When USDA-inspected canned hams are labeled as being "sugar cured," it means just that. When artificial sweeteners are used along with sugar in the curing process, the canned product cannot be labeled as being sugar cured.

In addition to being able to rely on the wholesomeness of meat stamped with the mark of Federal inspection, you can be sure that all ingredients in prepared meat products are likewise checked. For instance, microscopic examination is made of all seasonings and spices to make sure they do not contain such things as insect fragments, hair, or dirt. In addition, the seasonings and spices are checked for other adulteration such as cereal, nitrites, phosphates, and ascorbic acid. Seasonings and spices are also checked for protein content, to insure accurate labeling.

C&MS meat inspectors do not permit the use of aromatic or fragrant scents in the packaging or wrapping of federally inspected meats and meat products, nor can scented literature or other enclosures be included in the package. This prohibition helps protect the consumer, for added fragrance could cover-up the odor of spoiled or tainted meat.

When the term "bonded" is used in connection with the brand name of a federally inspected meat product, it must be accompanied with a statement giving the terms of the bond and the recourse available to the purchaser. Otherwise, this term cannot be used, since it conveys the same meaning as a guarantee.

# The Who and What of USDA Food Aid in Fiscal '65

**6 MILLION IN NEEDY FAMILIES  
RECEIVED 1 BILLION POUNDS  
OF DONATED FOOD**

**632,687 PERSONS  
IN 29 STATES  
SHOPPED WITH STAMPS**

**\$130 MILLION IN CASH PLUS  
972 MILLION POUNDS OF FOOD  
DONATED TO SCHOOLS**

**M**any children in the U.S. grow and develop normally because of the assist they get from food programs of the U.S. Department of Agriculture's Consumer and Marketing Service. And many adults find the going a bit easier since C&MS has reached them with more food or the means to buy it.

The U.S. Department of Agriculture acquires food through its price-support and surplus-removal activities, and makes it available for needy families, school lunch programs, victims of natural disasters and for other worthwhile purposes. Such use of the Nation's food abundance helps American children attain a healthy maturity and helps to keep adults functioning as significant, useful citizens. It further helps relieve farmers' markets during periods of over-abundance, and creates a steady demand for farm products.

A peak of nearly 6 million needy individuals in family units, including children, received over a billion pounds of USDA-donated food in fiscal year 1965.

Conspicuous among these donations were protein foods—a primary necessity for health in either children or adults. Such food included cheese, dry milk, dried eggs, canned meat, peanut butter, and beans.

Also available during fiscal 1965 was canned beef in natural juices. The development of this beef product underlines the fact that C&MS's commodity divisions and its Commodity Distribution Division are constantly alert to find better ways to process and package donated foods so the kinds and varieties made available for children and adults may be widened.

**D**uring fiscal year 1965, the Federal Food Stamp Program was active in 110 areas of 29 States with a peak participation of 632,687. Low-income consumers participating in the program received some \$32 million more in added food-buying power. They spent \$53 million of their own money to get the additional coupons to buy more and better food at local grocery stores.

The \$32 million, the Federal Government's contribution through C&MS, represents increased food-purchasing power for low-income families, added business activity for communities, and expanded markets for farm products.

With their coupons, participants can buy any food except certain imported items and imported meats. The food stamp plan has been well received wherever it is operating. Local merchants, bankers, and others warmly endorse it.

The Act is designed "to strengthen the agricultural economy; to help to achieve a fuller and more effective use of food abundances; to provide for improved levels of nutrition among low-income households through a cooperative Federal-State program of food assistance to be operated through normal channels of trade; and for other purposes."

The program gives participants shopping independence by enabling them to use their increased food-buying power to buy more fresh meat, milk, and vegetables. The increased buying power comes in the form of additional coupons after participants buy a certain number with their own money. The coupons can be spent like money in retail food stores authorized to accept them by the U.S. Department of Agriculture's Consumer and Marketing Service.

**N**utritious lunches were available in fiscal 1965 to some 17 million pupils in 70,000 of the Nation's schools each school day. The U.S. Department of Agriculture's Consumer and Marketing Service contributed 972.6 million pounds of food valued at \$272.4 million and \$130 million in cash to round out the lunches and add to their substance and variety. Among this food was \$96 million worth of frozen ground beef and roasts, which became available for donation the last quarter of fiscal year 1964.

Beef in these forms is one of the most popular items on school lunch menus and encourages pupil-consumers to participate in their school lunch programs.

Because of the donated food, the cash and specially-purchased foods, children can buy for 15 to 35 cents lunches costing about 50 cents to prepare. The children can also get lunches free or at reduced prices, if they are from a needy family, thanks again to USDA-donated foods and other contributions. About 10 percent of the total 2.9 billion lunches served were free to needy youngsters.

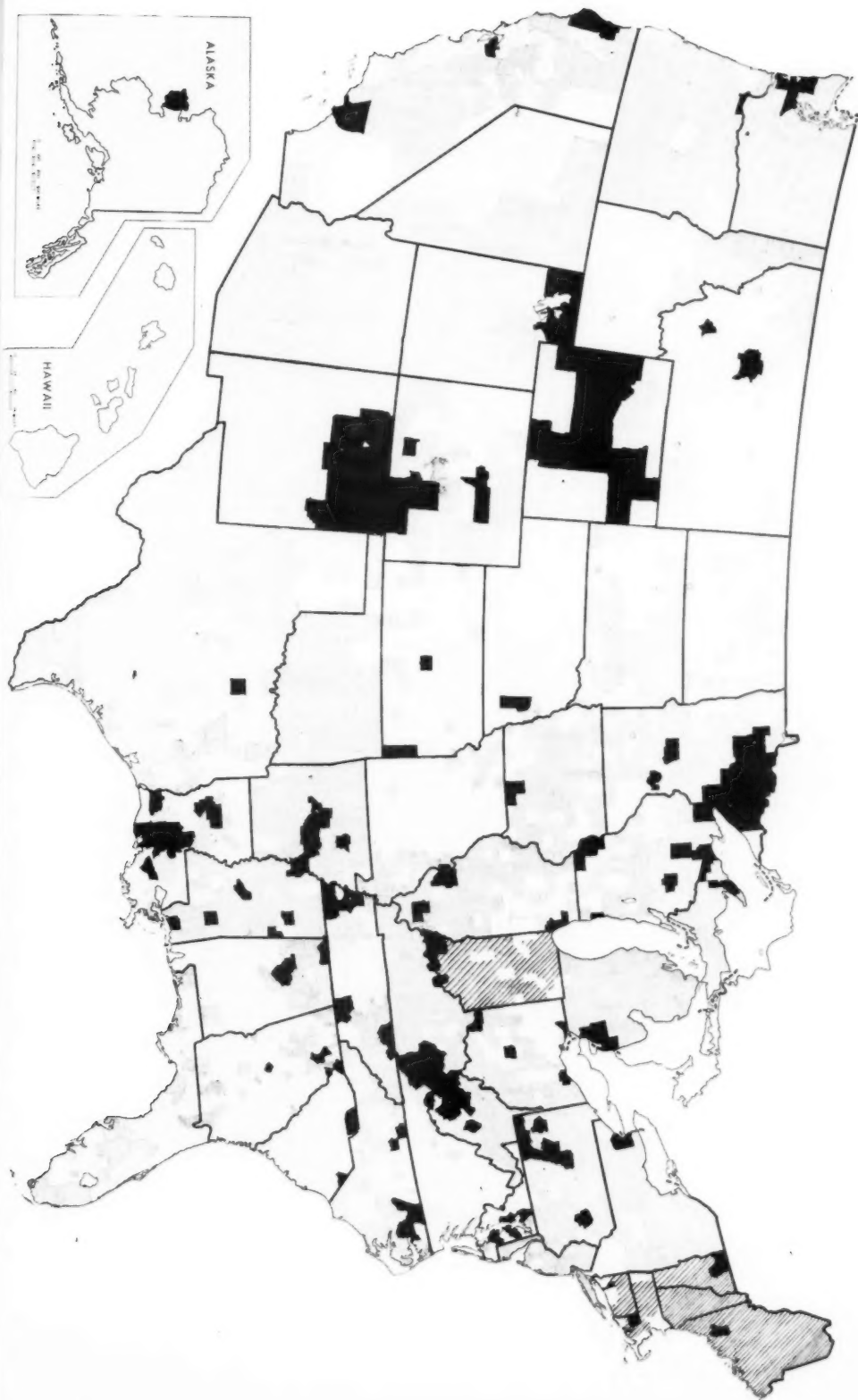
The National School Lunch Program aids local economies by purchasing a substantial portion of its food from local merchants—in fiscal 1965, \$700 million worth. Pupil-consumers paid \$788 million toward the cost of buying food and carrying out the program, while State and local contributions amounted to \$324 million. Total program cost, including food and labor and other expenses, was over \$1½ billion—a sizeable industry, benefiting many adults directly with jobs and business opportunities and indirectly through the satisfaction of seeing their children well fed.

# Areas Covered Under USDA's Food Stamp and Needy Family Programs

AS OF SEPTEMBER 30, 1965

This map is intended solely to show the approximate extent of areas where U.S. Department of Agriculture programs to aid needy families get enough food were either in operation as of September 30, 1965, or approved for operation. Gray areas were those taking part in the Commodity Distribution Program for needy families. Slanting lines indicate that only parts of the areas shaded were participating. Solid black areas either have USDA Food Stamp

Programs in operation, or have been approved for future participation. Some of these are taking part in the Commodity Distribution Program until the food stamp projects open. In addition, it has been announced that some States will participate in the Food Stamp Program, but have not yet designated specific project areas. Both programs are administered nationally by the USDA's Consumer and Marketing Service.



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## The Who and What of USDA Food Aid in Fiscal '65

### CHILDREN DRINK 5 PERCENT OF NATION'S FLUID MILK UNDER USDA PROGRAMS

The Special Milk Program administered by the U.S. Department of Agriculture's Consumer and Marketing Service more or less supplements the National School Lunch Program. Milk was provided under it during fiscal year 1965 for children at reduced cost in about 92,000 schools, child-care centers, summer camps, orphanages, and similar institutions, and to some 400,000 children in Head Start Centers—to improve diets and expand local dairy markets.

The 3 billion half-pints of milk served under the program last year added to the 2.9 billion served with lunches under the National School Lunch Program accounts for more than 5 percent of all fluid milk marketed in the U.S. last year.

The program has proved to be an effective way to encourage children to drink more milk.

The Special Milk Program has been operating since 1954. Section 402 of the Agricultural Act of 1961 provides the program continuing authority to encourage use of milk in schools, child-care centers, summer camps, and other similar nonprofit institutions devoted to the care and training of children.

Schools and institutions use a variety of techniques to encourage youngsters to drink more milk under the program. Morning and afternoon "milk breaks" have been adopted in many schools, while in others milk is available in vending machines for a few pennies or a nickel. In schools without a regular lunch service, milk can be sold at low cost to children who bring lunch from home.

### 1.3 MILLION NEEDY AIDED IN CHARITABLE INSTITUTIONS

During fiscal year 1965, the U.S. Department of Agriculture through its Consumer and Marketing Service donated 172.3 million pounds of food to charitable institutions for needy persons, including orphanages, child-care centers, and hospitals serving needy children and adults.

The number of individuals benefited by this program alone was more than 1.3 million.

Among the donated food was over

\$4 million worth of frozen ground beef and roasts.

Distribution of this food, like the USDA food that reaches needy persons, is handled by State and local government agencies. Participation in the program is voluntary; the State and local agencies—and the people and institutions served by these agencies—choose whether or not to take part.

C&MS pays the cost of processing and packaging the foods and transporting them in carload lots to receiving points in the States and U.S. territories. It is from these points that the States take over the management and distribution of the foods.



Students like these at Deer Lodge, Tenn. are typical of the millions receiving milk.



